Prevention of Hawala Transactions

217. SHRIC. RAMACHANDRIAH: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are aware that hawala route transactions have created a parallel banking system;

(b) whether it is a fact that gangsters, exporters and expatriates terrorists are living up to raise funds through this illegal system; and

(c) if so, what are the preventive measures Government have initiated to arrest this?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) to (c) The Enforcement Directorate of the Ministry of Finance is aware of sporadic instances of money transactions through hawala. Constant vigil is maintained on suspected hawala operators, and action is taken as per law on receipt of specific information against gangsters, exporters and expatriates indulging in such activites.

Unemployment due to implementation of ERC

218. PROF. A. LAKSHMISAGAR: Will the Minister of FINANCE be pleased to state:

(a) whether with the implementation of the recommendations of the Expenditure Reforms Commission, lakhs of Government employees are likely to lose their jobs;

(b) if so, the estimated number of Government employees likely to be affected widi implementation of the recommendations of the Expenditure Reforms Commission;

(c) the manner in which Government propose to implement the recommendation of the ERC; and

(d) the unemployment likely to be generated as a consequence thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATTL): (a) to (d) The recommendations of the Expenditure Reforms Commission relating to rightsizing of the Government machinery, have been forwarded to the concerned Ministries/Departments for appropriate action and are under various stages of implementation. The actual